

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION IX

IN THE MATTER OF:

CASMALIA RESOURCES HAZARDOUS
WASTE MANAGEMENT FACILITY
Santa Barbara County, California

Respondents

Calwest Galvanizing Co.;
Continental Airlines;
Crosby and Overton, Inc.;
Gillette Company;
Operating Industries, Inc.;
Precision Specialty Metals
U.S. Pipe and Foundry, Co.

ADMINISTRATIVE ORDER ON
CONSENT FOR REMOVAL
RESPONSE ACTIVITIES

U.S. EPA Region IX
CERCLA
Docket No. 96-04 A

Proceeding Under Section
106(a) of the Comprehensive
Environmental Response,
Compensation, and Liability
Act, as amended, 42 U.S.C.
§ 9606(a)

WHEREAS, on November 22, 1995, EPA Region IX issued Unilateral Administrative Order ("UAO" or "UAO No. 96-04") No. 96-04 requiring a group of twelve Respondents to transport, treat, and dispose of, or arrange for the transport, treatment, and disposal of, contaminated liquids collected from Sump 9B and the Gallery Well at the Casmalia Resources Hazardous Waste Management Facility ("Casmalia Site" or "Site"); and

WHEREAS the companies that received the UAO No. 96-04 had been previously notified by EPA of potential liability at Casmalia but have not been a part of the Steering Committee that formed to negotiate a work agreement with EPA; and

WHEREAS the UAO No. 96-04 was issued, in part, to remove the possible financial advantage of not participating in the Steering Committee and the ongoing negotiations; and

WHEREAS, the UAO required Respondents to perform the UAO work at their expense and without limitation as to its cost; and

WHEREAS, the compliance deadlines required under the UAO are short, and time-consuming tasks are often associated with organizing a group of unrelated companies and mobilizing to perform the required site work; and

WHEREAS, to ameliorate the difficulties posed by short compliance deadlines, EPA proposed a settlement alternative whereby Respondents could pay for the costs of performing the necessary work in lieu of actually performing the work required under the UAO; and

WHEREAS, the scope of work under UAO No. 96-04 was for an unspecified duration and EPA agreed to limit the scope of the work under UAO No. 96-04, for purposes of this proposed financial settlement, to EPA's estimated cost of one off-site shipment for treatment and disposal of contaminated liquids from Sump 9B and the Gallery Well; and

WHEREAS, several Respondents elected to resolve their obligations under the UAO by accepting EPA's proposed financial settlement;

NOW, THEREFORE, IT IS ORDERED as follows:

1. This Administrative Order on Consent ("Consent Order") is entered into voluntarily by the United States Environmental Protection Agency ("EPA") and Calwest Galvanizing Co.; Continental Airlines; Crosby and Overton, Inc.; Gillette Company; Operating Industries, Inc.; Precision Specialty Metals (a Delaware corporation); and U.S. Pipe and Foundry, Co. ("Consent Respondents") pursuant to the authority vested in the President of the United States by sections 104, 106(a) and 122 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9604, 9606(a), and 9622, as amended ("CERCLA"), and delegated to the Administrator of the EPA by Executive Order No. 12580, January 23, 1987, 52 Federal Register 2923, and further delegated to the EPA Regional Administrators by EPA Delegation Nos. 14-14-A and 14-14-C. This authority was further delegated to the Director of the Hazardous Waste Management Division, Region IX, by Region IX Delegations 1290.41 and 1290.42.

2. By entering into this Consent Order, or by taking any action in accordance with it, Consent Respondents do not admit any allegations contained in UAO No. 96-04, nor do Consent Respondents admit liability for any purpose or admit any issues of law or fact or any responsibility for the alleged release or threat of release of any hazardous substances into the environment in connection with the Casmalia Site.

3. In consideration of the Work required by UAO No. 96-04, Consent Respondents shall severally pay the following specified amounts:

Calwest Galvanizing Co.	\$ 51,000
Continental Airlines	\$ 89,500
Crosby & Overton	\$116,000
Gillette	\$ 15,500
Operating Industries, Inc.	\$ 81,000
Precision Specialty Metals	\$ 60,000
U.S. Pipe & Foundry	\$ 87,000

Payment shall be due on or before January 5, 1996, to the EPA Hazardous Substance Superfund, as specified in paragraph 5, below. Upon receipt from each Consent Respondent of full payment in compliance with the terms of this Consent Order, EPA shall rescind UAO No. 96-04 as against the paying Consent Respondent.

4. Payments made under the terms of this Consent Order are a resolution of UAO No. 96-04 and this Consent Order only and shall not be an offset, or a credit against, any additional liability claims or demands that may be made by EPA in connection with the Casmalia Site against any Consent Respondent in the future. Nothing in this paragraph shall be construed to effect or limit the rights and defenses of the Consent Respondents or other persons or parties in actions for contribution.

5. The payment required under paragraph 3, above, shall be made by certified check or checks made payable to the "EPA Hazardous Substance Superfund" and referencing the EPA Region and Site name and number, "Casmalia/093H" and the Docket Number of the Order, "UAO No. 96-04." The certified check or checks shall be sent to

U.S. Environmental Protection Agency
Region IX Superfund Accounting
Box No. 360863M
Pittsburgh, PA 15251

Copies of each check, together with the transmittal letter shall be sent to Karen Ueno, Casmalia Project Manager, Mail Code H-3, U.S. EPA Region IX, 75 Hawthorne Street, San Francisco, CA 94105. The monies received by EPA shall be placed into an EPA site-specific Casmalia account.

6. Except as otherwise provided under this Consent Order, EPA covenants not to sue each Consent Respondent for judicial imposition of damages or civil penalties or to take administrative action against that Consent Respondent for any failure to comply with UAO No. 96-04. This covenant not to sue shall take effect as to each Consent Respondent upon the receipt by EPA of the payment required by that Consent Respondent under paragraph 3, above. The covenant not to sue as to each Consent Respondent is conditioned upon the complete and satisfactory performance by each respective Consent Respondent of its obligations under this Consent Order. These covenants not to sue extend only to the Consent Respondents and do not extend to any other person.

7. Each of the Consent Respondents expressly reserves any and all rights, defenses, claims, demands, and causes of action (including, but not limited to, any right to contribution) which each may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person.

8. With regard to claims for contribution against Consent Respondents for matters

addressed in this Consent Order, the parties agree that each Consent Respondent is entitled to protection from contribution actions or claims from persons or parties that have not signed this Consent Order and from other Consent Respondents to the extent provided by section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2).

9. This Consent Order does not constitute a preauthorization of funds under Section 111(a)(2) of CERCLA, 42 U.S.C. § 9611(a)(2). The Consent Respondents waive any claim to payment under sections 106(b), 111, and 112 of CERCLA, 42 U.S.C. §§ 9606(b), 9611, and 9612, against the United States or the Hazardous Substance Superfund arising out of any action performed under this Consent Order.

10. Except as specifically provided in this Consent Order, nothing herein shall limit the power and authority of EPA or the United States to take, direct, or order all actions necessary to protect public health, welfare, or the environment or to prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants, or contaminants, or hazardous or solid waste on, at, or from the Site. Further and except as specifically provided in this Consent Order, nothing herein shall prevent EPA from seeking legal or equitable relief to enforce the terms of either this Consent Order or UAO No. 96-04, from taking other legal or equitable action as it deems appropriate and necessary, or from requiring the Consent Respondents in the future to perform response actions or other activities, including, but not limited to, future transport, treatment, and disposal of contaminated liquids from the Site, or to pay additional costs pursuant to CERCLA or any other applicable law.

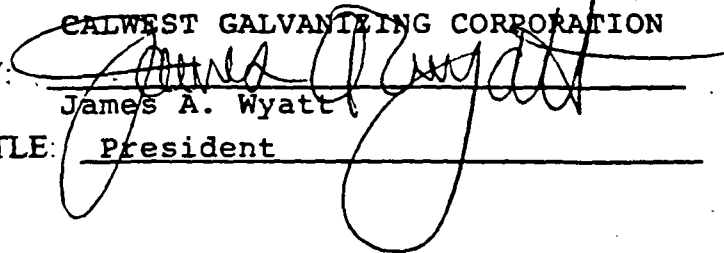
11. This Order may be executed in any number of counterparts, each of which when executed and delivered to EPA shall be deemed to be an original, but such counterparts shall together constitute one and the same document.

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

Agreed this 3rd day of January, 1996.

CALWEST GALVANIZING CORPORATION

BY:


James A. Wyatt

TITLE:

President

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

CONTINENTAL AIRLINES

Agreed this 3 day of January, 1996.

BY: Jerry A. Port

TITLE: Staff Vice President
Environmental Health & Safety

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

Agreed this 5 day of January, 1996.

The Gillette Company

BY: Abram M. Mason

TITLE: Senior Group Counsel

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

OPERATING INDUSTRIES
Agreed this 18 day of Dec, 1995.

BY: Jack Graham
TITLE: pres

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

Agreed this 3 day of January, 1996.

BY:

A. J. Fordley

TITLE:

V.P. Finance

PRECISION SPECIALTY METALS

The undersigned representative of Consent Respondent certifies that (s)/he is fully authorized to enter into the terms and conditions of this Consent Order and to bind the party (s)/he represents to this document.

U.S. PIPE & FOUNDRY

Agreed this 4 day of January, 1996.

BY: William E. F. Lick

TITLE: VP manufacturing

It is so ORDERED and Agreed this fifth day of January, 1996.

BY: Keith A. Takata

DATE: January 5, 1996